

**SJ STOREFRONTS INITIATIVE AGREEMENT BY AND BETWEEN THE
CITY OF SAN JOSE
AND**

**_____
[(insert business name)]**

THIS SJ STOREFRONTS INITIATIVE AGREEMENT ("Agreement") is entered into as of _____, 20____ ("Effective Date"), by and between the City of San Jose, a municipal corporation ("City"), and _____ ("Owner" or "Grantee").

RECITALS

- A. Grantee is presently the Owner/Lessee of certain property located at _____, San Jose ("Property") and in the _____ Neighborhood Business District/Strong Neighborhood Initiative/Downtown Core. Grantee intends to operate a _____ storefront business ("Business") on the Property.
- B. City has approved a SJ Storefronts Initiative ("SJSI") to assist property owners and lessees by offsetting the cost of City permits, fees and taxes with a grant to enable the Grantee to operate the Business in the City which will promote investment, encourage full occupancy of storefronts and alleviate blighted conditions.
- C. Grantee has submitted an application to City to participate in the SJSI, and City has determined that Grantee meets the eligibility criteria for the SJSI.
- D. Grantee desires to enter into this Agreement with City to receive assistance of grant funds, and City is willing to do so on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, City and Grantee agree as follows:

1. **Eligible Uses of Grant Funds.**

City and Grantee, within sixty (60) calendar days from the date Grantee receives notice of an award from City, shall enter into an agreement for the award and use of the Grant. Grantee may use grant funds to offset any permits, fees and taxes described in Section 3 of this Agreement.

2. **Grant Amount and Terms.**

The total grant available to Grantee under this Agreement for the Eligible Improvements and permits, fees and taxes described in Section 3 of this Agreement is Sixteen Thousand Dollars (\$16,000) ("Total Eligible Grant"). The Total Eligible Grant shall be available in two installments: up to \$8,000 for costs of permits, fees and taxes due at issuance of building permit and a second installment due at issuance of occupancy permit for an amount remaining after the granting of the first installment of the Total Eligible Grant.

Contract Number: _____
(to be filled in only by Redevelopment
City Contracts Administration)

3. Permits/Fees.

Grant funds under this Agreement may be used to offset the cost of the following:

- (a) Site Adjustment Permit and other permits issued by the City of San Jose ("City") Planning Department ("Planning Permits").
- (b) Building, electrical, or encroachment permits ("Building Permits"), for completion of all work required by City permitting authorities.

4. Grant Payments

- (a) Grantee agrees that City's obligations for payment pursuant to this Agreement are conditioned upon the City receiving and approving the permit, fee or tax for the Business and providing City with a copy of all such permits, fees and taxes.
- (b) In no event shall the payments under this Agreement exceed the Total Eligible Grant.

5. Grantee's Covenants and Representations.

- (a) Grantee represents, warrants, and covenants as follows:
 - (1) Grantee/Lessee of record of the Property and agrees to participate in the SJSI and to comply with all terms and conditions of the SJSI and this Agreement;
 - (2) Grantee has no knowledge of any code enforcement actions pending against the Property that Grantee has not disclosed to City in writing;
 - (3) To Grantee's knowledge, all information in any document furnished to City and/or the City by or on behalf of Grantee is true, accurate and complete in all material respects;
 - (4) Grantee shall remove and keep all illegal signs off the Property;
 - (5) For a period of one year (1) year from the Effective Date, Grantee shall perform the following, or cause Grantee's tenants to perform, at Grantee's and/or its tenants' sole cost and expense,
 - (i) maintain the exterior of the Property in good condition and repair;
 - (ii) on a daily basis, remove trash and debris from adjacent sidewalks, driveways and landscaping; and
 - (iii) as needed, wash adjacent sidewalks and driveways and weed and prune landscaping;

- (6) For a period of one (1) years from the Effective Date, Grantee shall remove any graffiti from the Property within five (5) days after notice of such graffiti;
- (7) Grantee shall maintain the Property in compliance with all applicable laws, including without limitation the laws of the City, and will promptly, upon notification that the Property is not in compliance with all applicable laws, do all things necessary to bring the Property into and keep the Property in compliance with all applicable laws;
- (8) For a period of one (1) years from the Effective Date, Grantee shall inform any new lessee(s) at the Property that may succeed the current lessee(s), if any, of the requirements of this Section and shall require such lessee(s), if any, to comply with the requirements of this Section; and

6. Termination

City or Grantee shall have the right to terminate this Agreement upon seven days written notice to the other party in the event that the other party fails to comply with any of the terms or conditions set forth in this Agreement.

7. Insurance

Grantee at all times during the term of this Agreement shall maintain the insurance coverage set forth in **Exhibit A**, attached hereto and incorporated by reference.

8. Confidentiality/Disclosure.

Grantee acknowledges that City is subject to the provisions of the California Public Records Act and that any information submitted to City may be disclosed to the extent required by law.

9. Notices.

Notices and other communications shall be in writing and delivered in person or mailed by first class postage to City at:

City of San Jose
Office of Economic Development
Attention:
200 East Santa Clara Street, 17th Floor
San Jose, CA 95113

and to Grantee at those addresses set forth under Grantee's signature at the end of this Agreement, or to such other address as any party may designate by notice in accordance with this Section.

10. Hold Harmless.

Grantee agrees to indemnify, defend and hold City and all employees, officers and representatives of City free and harmless from any and all liability arising from or related to Grantee's participation in the SJSI, the use of City funds for the permits issued by City, and/or any other City and/or City action pursuant to this Agreement. Grantee's obligation under this Section shall survive the expiration or termination of this Agreement.

11. Assignment.

Grantee may not transfer or assign any or all of their rights or obligations under this Agreement without prior written consent by City. Any such assignment without City's consent shall be wholly void and of no effect.

12. Amendments.

This Agreement may be amended, changed or modified only by an instrument in writing signed by City and Grantee.

13. Effective Date; Term of Agreement.

The effective date of this Agreement is the Effective Date. This Agreement shall be for a term of one (1) year from the Effective Date.

14. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to be the same agreement.

15. Third Party Beneficiaries.

No term or provision of this Agreement shall be for the benefit of any person, firm, organization or corporation not a party to this Agreement, and no such person, firm, organization or corporation shall have any right or cause of action hereunder.

16. Representation of Authority

The person(s) executing this Agreement on behalf of Owner does hereby represent and warrant that Owner is a duly authorized and existing **[identify type of entity, i.e. California corporation/partnership (designate as general or limited partnership)/trust/ sole proprietor etc.]**, that has, is and shall remain during the term of this Agreement qualified to do business in the State of California, and that each signator for Owner has full right, power and authority to enter into this Agreement and to carry out all actions contemplated by this Agreement. Owner further represents and warrants that the execution and delivery of this Agreement was duly authorized by proper action of Owner, and no consent, authorization or approval of any person is necessary in connection with such execution, delivery and performance of this Agreement except as have been obtained and are in full force and effect, and that this Agreement constitutes the valid, binding and enforceable obligation of Owner. Upon City's request, Owner shall provide City with evidence reasonably satisfactory to City confirming the foregoing representations and warranties.

APPROVED AS TO FORM

Office of City Attorney

“City”

THE CITY OF SAN JOSE

By:_____

“Grantee”

By:_____

Name:_____

Title:_____

Indicate Type of Entity: Sole Proprietorship,
Partnership (General/Limited Partners),
Corporation, Limited Liability Corporation, Joint
Venture, etc.: _____

Address:_____

(street)

(city, state, zip)

Telephone:_____

EXHIBIT A

INSURANCE REQUIREMENTS

GRANTEE, at GRANTEE'S sole cost and expense, shall procure and maintain for the duration of this AGREEMENT, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by the grantee, its agents, representatives, employees or subcontractors or suppliers.

I. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage "occurrence" form CG 0001; and
2. Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

There shall be no endorsements reducing the scope of coverage required above unless approved by the City's Risk Manager.

II. Minimum Limits of Insurance

GRANTEE shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

III. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to, and approved by, the City's Risk Manager. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, agents and contractors; or the GRANTEE shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the City's Risk Manager.

IV. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability Coverages

- a. The City, its officials, employees, agents and contractors are to be covered as additional insureds as respects: liability arising out of activities performed by, or on behalf of, the GRANTEE; products and completed operations of the GRANTEE; premises owned, leased or used by the GRANTEE; or automobiles owned, leased, hired or borrowed by the GRANTEE. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, agents and contractors.
- b. The GRANTEE's insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and contractors. Any insurance or self-insurance maintained by the City, its officials, employees, agents or contractors shall be excess of the GRANTEE's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, agents, or contractors.
- d. Coverage shall state that the GRANTEE's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. Coverage shall contain a waiver of subrogation in favor of the City, its officials, employees, agents and contractors.

2. Workers' Compensation and Employers Liability

Coverage shall be endorsed to state carrier waives its rights of subrogation against the City, its officials, agents and contractors.

3. All coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the City; except that ten (10) days' prior written notice shall apply in the event of cancellation for non-payment of premium.

V. Acceptability of Insurance

Insurance is to be placed with insurers acceptable to the City's Risk Manager.

VI. Verification of Coverage

GRANTEE shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Copies of all the required ENDORSEMENTS shall be attached to the CERTIFICATE OF INSURANCE which shall be provided by the GRANTEE's insurance company as evidence of the stipulated coverages.

Proof of insurance shall be either emailed in PDF format to: Riskmgmt@sanjoseca.gov, or mailed to the following postal address (or any subsequent email or postal address as may be directed in writing by the Risk Manager):

City of San Jose – Finance Department
Risk & Insurance
200 East Santa Clara St., 14th Floor
San Jose, CA 95113-1905